

SPECIFIC TERMS - BROKERAGE



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The Specific Terms Brokerage (ST Brokerage) complement the General Terms (GT) of KBC Securities Services (KBC) specifically for brokerage services between KBC hereinafter referred to as “the Broker” for the purpose of this ST Brokerage, and the Client, who has selected the brokerage services as part of the service offering and/or is using such services provided by the Broker.

1. Definitions

Capitalized terms in this ST Brokerage shall have the meaning as set forth in Annex 1.

2. Purpose: appointment as broker for receipt, transmission and execution of orders

- 2.1 The Broker will provide the following services: (i) receive and/or transmit orders on Eligible Markets, (ii) execute orders for Transactions on Eligible Markets and (iii) (if applicable) take all steps necessary for the clearing and/or settlement of such Transactions.
- 2.2 The Client is desirous to make use of these services and hereby appoints the Broker, and the Broker hereby accepts to act as Broker for the Client and provide general brokerage services in respect of Transactions in Financial Instruments on Eligible Markets, along with such other services as agreed between the Broker and the Client from time to time.

3. Scope of services

The Client understands and accepts that:

- i) the Broker is entitled to execute an order of the Client as principal, thereby acting as counterparty insofar permitted and with observance of the legal provisions in this respect.
- ii) the services offered under this ST Brokerage do not comprise any research, advice or valuation in relation to Financial Instruments or to the Transactions.
- iii) any custody services (including custody related settlement instructions) are not covered by this ST Brokerage but will be subject to the ST Custody.

This ST Brokerage and each Transaction shall also be subject to the GT, as amended from time to time, unless this ST Brokerage provides otherwise.

4. Warranties and representations

In addition to the mutual representations and warranties in the GT, the Client represents and warrants that:

- i) It is well aware of the fact the brokerage services are provided by the Broker on an execution only basis, and that these services do not comprise any investment advice or any other kind of advice relating to tax, legal or accountancy issues relating to the Financial Instruments the

Client desires to do Transactions in, and that it will decide on its own to seek its own independent advice whenever it deems appropriate or necessary;

- ii) It has sufficient knowledge to be aware of the characteristics, merits and risks of the Financial Instruments in which it trades and invests in as well as of the Collateral and Margin requirements applicable thereto, or, whenever it deems not to have such knowledge, that it has, prior to entering into Transactions, requested and obtained from the Broker additional information in whatever form or consulted the information delivered by the Broker on [this KBC-website](#) describing the nature and the risk of the Financial Instruments for which it intends to give order for Transactions to the Broker. Such information relates to the characteristics and the risks of Financial Instruments and (if applicable) the Collateral and Margin requirements, the Client considers such information to be sufficient and the Broker may assume that the Clients has sufficient information;
- iii) It has sufficient knowledge and experience to be able to evaluate the risks and the merits involved with accepting this ST Brokerage and the Transactions contemplated under the ST Brokerage, and is solely responsible for making its own decision to do so and the Broker may assume that the Client has sufficient knowledge and experience;
- iv) It will not transmit orders for Transactions which infringe any applicable law, market practices or the rules of professional conduct of the relevant Market, or which may endanger the proper functioning of any relevant Market;
- v) It will only enter into Transactions as an intermediary on behalf of a customer, upon being duly mandated by such customer;
- vi) It will not infringe and it will comply with all legal and regulatory obligations regarding the activities carried out under this ST Brokerage, including but not limited to rules regarding public offering of securities and investment funds, financial intermediaries and money laundering as well as with market practice, rules of professional conduct, charter, bylaw, charge or undertaking affecting it or any of its assets, nor infringe any court order or judgment of a court or any other official agency, or any other rule applicable to the Client;
- vii) It shall be responsible for the identification of its customers and the checking of the origin of monies, flows and/or Financial Instruments subject to this ST Brokerage in accordance with applicable money laundering rules and regulations.

Each such representation and warranties shall be deemed to be repeated on each order for Transaction.

5. Authorized means for transmission and reception of orders

The Client may transmit orders to the Broker as follows:

- i) by input of orders directly in the System(s) (electronically transmitted orders)
- ii) by contacting the broker's desk through phone, scanned copies or fax (dealing room orders).

In case of contingency all orders shall be transmitted manually to the dealing room.

6. Generalities for execution of orders

6.1 Incorporation of Execution Policy

Orders shall be executed in conformity with its specifications, laws and regulations, rules and Market practices as well as the provisions in this Agreement. Nothing in this Agreement or any Transactions shall oblige the Broker to act against law and regulations, rules or Market practices. The Broker will execute the order of Client promptly, allocate all orders fairly and not give preference over another order of a client.

As part of this ST Brokerage, the Client has been provided with appropriate information regarding the Brokers' execution policy, which will apply to the extent that the Client is categorized as a Professional Client and does not apply to Eligible Counterparties.

The Client confirms reception of such information, and declares to have verified such information. The Client moreover declares that the Brokers' execution policy provides for effective arrangements in order for the Broker to obtain the best possible result in relation to the execution of orders.

The Broker's execution policy is reviewed on a regular basis, and may therefore be modified from time to time. The Broker will inform the Client of any material change to its execution policy.

The Broker undertakes at all times to comply with its execution policy. The Client hereby expressly consents to the Brokers' execution policy.

Whenever a Client, categorized as a Professional Client, gives a specific order or instruction (including an order to execute on a specific Eligible Market), the Client will lose the protection of the Broker's obligation to provide the best possible result with regard to the aspect of the execution the specific order or instruction relates to.

6.2 Absence of publication of unexecuted orders

By giving a limit order to the Broker, the Client consents to the fact that, whenever a limit order in Financial Instruments which are admitted to trading on a Regulated Market can under prevailing market conditions not immediately be executed, the Broker may but will not be obliged to make public the order in a manner which is easily accessible to other Market participants.

6.3 Limits, rejection or delay to orders

The authority of the Client to give orders for the Transactions is subject to Limits which the Broker may determine from time to time and in its sole discretion. Internal Limits applicable to orders of the Client may be determined by the Broker, including for risk management purposes or to ensure compliance with laws and regulations or Market rules. External Limits

are disclosed to the Client in Annex 2 or notified by any means. The Client undertakes to respect the external Limits that have been disclosed.

The Broker may at any time change the Limits effective immediately upon notification (which may be made orally) to the Client and such notification shall constitute an amendment to Annex 2.

Without prejudice to other cases of rejection of orders in the GT or this ST Brokerage, the Broker is entitled to refuse or delay orders for Transaction exceeding the Limits and shall promptly inform the Client of such rejection or delay. The Broker is however not under an obligation to verify such order, or to refuse or delay such order, and the execution of such order does not affect the obligations of the Client in respect of the order, nor can the Broker be held liable by the Client for the execution of such order.

6.4 Cancellation of order

The Broker informs the Client as quickly as possible, either by telephone, fax or through the System(s) of the status of the order. When the order is executed in stages, the Broker will keep the Client regularly informed of the progress of execution.

At any time prior to the execution of its order, the Client may instruct the Broker to withdraw the order (in full or in part) or amend it, in accordance with the rules of the Market. The Broker shall use its best endeavors to execute such instruction to withdraw or amend the order.

The Broker can however not be held liable in the event of the original order has already been executed on the Eligible Market.

6.5 Time validity of the orders, corporate actions

It is the responsibility of the Client to specify the period of time during which an order shall remain valid. Certain rule(s) and restrictions may apply in certain Market(s) and it is the responsibility of the Client to enquire and/or request information from the Broker. In certain cases, the System(s) may propose default period(s) which the Client may either accept or refuse by specifying a period of validity.

The orders where the time validity has not been specified by the Client or where the time validity is contrary to rules of the Market shall be treated as an unclear order and consequently the Broker shall be entitled to refuse such orders, delay the execution or transmission of such orders pending clarification from the Client or endeavor to execute it in the interest of the Client.

The impact of corporate actions on the validity of an order will be regulated by the laws and regulations, rules and practices of the relevant Market.

6.6 Booking, clearing and settlement

Orders executed on the Client's behalf shall be transmitted to the relevant clearing house, settlement organization or agent. Orders are cleared and/or settled in conformity with laws and regulations, rules and the practices of the Market, clearing house and/or settlement institutions on which such orders have been executed, cleared and/or settled. The orders are booked and settled in the Account(s) with the Broker if the Client holds such Account. To the extent the Client holds the account(s) on which the order must be settled with another financial institution, the Client is responsible to provide the Broker with all necessary information and instructions for settlement of the order executed by the Broker (specifically the account number and settlement data). The Broker may discharge the obligations ensuing from a transaction executed on behalf of the Client by transferring the rights and obligations it has against the Client to the financial institution acting as the Client's custodian and the Broker may rely on the Client having properly instructed and/or authorized the financial institution to act upon the corresponding instructions. The Broker shall not be responsible for any fails or delays in the settlement process in case the Clients has not provided such information and settlement data.

6.7 Statements

As soon as possible and at the latest the Business Day following the day during which an order is executed, the Broker shall send or make available through the System(s) a trade confirmation to the Client, with the data required by the laws and regulations, including:

- Identification of KBC and Client;
- Transactional specifications (identification of traded Financial Instruments, quantity, unit price, Buy / Sell or nature of order (if other), Eligible Market on which the order was executed, day and time of execution);
- Total amount of the Transaction, specifying the various items making up the gross amount of the consideration and the total sums of commissions and expenses;
- Rate of exchange (if applicable);
- Responsibilities of Client and details in respect of settlement.

In the event that the Client disagrees with the terms of the Transaction as set out in the trade confirmation, such contestation must be notified in writing to the Broker within 48 hours from reception of the confirmation. Any Transaction that shall not have been formally contested within such timeframe will be deemed accepted by the Client. Such notification must indicate the reasons of the contestation.

7. Specificities for orders communicated through the System(s)

7.1 Access and connectivity to the System(s)

The Broker determines and informs the Client of the System(s) that can be used for communication of orders. The Client will establish the connectivity to the System(s) and comply with the directions and specifications of the Broker as well as any changes thereto.

Where necessary, each of the Parties shall sign a separate agreement(s) with any provider(s) of the network(s) and/or the System(s), in order to access and/or implement the System(s). If applicable, the Broker will indicate to the Client where additional interfaces may be necessary for the use of the System(s). In the event such agreements with the provider of the System(s) cease to be valid for any reason, the Party will notify the other Party, and the provisions of this Agreement relating to that System(s) will cease to be applicable.

As applicable, the Client or each authorized trader, designated by the Client, will receive from the provider "Elements of Identification". Such Elements of Identification shall be required for each placing of an order through the System(s). The Client is solely responsible for maintaining the secrecy and confidentiality of such codes, and will inform the Broker as soon as it has knowledge of any disclosure, illegal use or violation of the security of the Elements of Identification, and will do its best to remedy such security failure. Any placing of order which is made with use of the Elements of Identification is deemed to have been placed by the Client.

7.2 Management of the System(s), fitness for purpose, error(s), availability and right of disconnection

The connection to the System(s) shall be managed by the Broker for the purpose of allowing prompt receipt, transmission, placing and/or execution of orders on the Eligible Markets.

However the Client acknowledges that there is no guarantee that the System(s) will meet the requirements of the Client, be error free or available continuously. The Broker takes no responsibility for events beyond its reasonable control that may delay or disrupt the management of the System(s), receipt, transmission, placing and/or execution of orders (including but not limited to heavy trading volumes) or for any part of the System(s) provided or operated by third party provider(s).

The Broker reserves the right, if it identifies security risks, non-compliance with or suspected breach of laws and regulations, to interrupt the access of the Client to the System(s) at any time in order to protect the Client or ensure compliance with laws and regulations until these risks have been eliminated, and to notify the Client of such interruption(s) as soon as reasonably practicable.

7.3 Making an order through the System(s)

The Client enters its order into the System(s) using the Elements of Identification by completing the information in the appropriate field(s). Unless otherwise specified, the System(s) will generate a confirmation of the order. The Client will then confirm its own order through the System(s).

Upon receipt of the order, the System issues an acknowledgement of receipt. The date and time of this acknowledgement are considered to be evidence of the date and time of receipt of the order.

Before being routed or transmitted to the Eligible Market, the order is screened as described below.

7.4 Screening, validation or rejection of electronically transmitted orders

The System(s) screen(s) orders to check that the order complies with the applicable specifications, including Limits and contains the required information.

The Client is solely responsible for ensuring the accuracy and completeness of orders. The Client will implement adequate measures, including limits in the screening tools on its end of the System(s) to avoid that orders may give rise to undue price movement on the Market, risk of loss caused by erroneous orders or pose a risk for the integrity and safety of the Market.

Orders may be rejected in case of:

- failure to correspond to the specifications or contain the required information
- non-availability of the System or the connections,
- rejection by the Eligible Market.

The System(s) will inform the Client of execution or rejection of orders. If an order is rejected, the Client may submit it again.

7.5 Execution, amendment and cancellation of electronically transmitted orders

The System transmits the order for execution on the Eligible Market once screening has been performed. The Client can check the status of execution. The System will inform the Client if the order cannot be transmitted. The order that could not be transmitted is considered to have expired.

Orders may be cancelled in accordance with the rules of the System and the Market but the Broker cannot be held responsible in case an amendment or cancellation cannot be done before execution.

8. Communication of dealing room orders

8.1 Making a dealing room order, contact(s)

The Client shall submit orders by contacting the Broker's desk using the contact details, email addresses, phone or fax numbers communicated to the Client.

8.2 Required information for dealing room order

The Client shall specify all the characteristics needed for execution for each order, which shall include the following information:

- Account number
- Description of the Financial Instruments to be traded

- Volume/number
- The Eligible Market in the event the concerned Financial Instrument is listed on more than one Eligible Market (by default it will be selected in conformity with the best execution policy)
- Buy / Sell or nature of the order if not buy/sell
- Period of validity of the order
- Settlement details for orders to be settled with another financial institution.

Optionally, other information, such as the conditions the order is to be executed or the price limits of the order can be provided by the Client.

Should the Client not or not clearly supply all of the above-mentioned information, the Broker shall have no obligation to execute the order, but has nevertheless the right to do so to the best of his ability. In such an event, the Broker cannot incur any liability related to the execution or non-execution of the incomplete or unclear order.

8.3 Status of execution, amendment, cancellation of dealing room order(s)

The Client can request the status of execution, the amendment or cancellation of an order to the Broker. Orders may be cancelled in accordance with the rules of the Market. The Broker will endeavor to amend or cancel the orders in accordance with the instruction of the Client but cannot be held responsible in case an amendment or cancellation cannot be done before execution.

9. Specificities for orders for Investment Funds

This section applies to orders from the Client to the Broker to invest in Investment Funds (UCITS, AIF or other similar vehicle), regardless of whether the Client is the beneficiary investor or the Client is investing (directly or indirectly) on behalf of a customer.

Such order must at all times be explicitly accepted by the Broker, which has the right at all times to refuse to execute orders for investments in certain Investment Funds.

When the Client communicates an instruction to invest in Investment Funds to the Broker, the Client additionally represents and warrants that:

- 9.1 when the Client is acting on behalf of its customer as an asset manager or discretionary asset manager, the Client has obtained and analyzed the most recent version of the relevant Fund documentation (prospectus, Key Investor Information Document (KIID) or any other documentation that is produced by the issuer of distributor in accordance with applicable law and regulation (hereinafter referred to as 'the Fund Documentation')) prior to giving such order, unless the Client informs the Broker otherwise, in which case the Broker will provide to the Client such documentation;
- 9.2 when the Client is acting on behalf of its customer in any other capacity, the Client has provided its customer with the most recent version of the relevant Fund Documentation in due time prior to receiving the order from such customer, unless the Client informs the

- Broker otherwise, in which case the Broker will provide to the Client such documentation to forward it to its customer;
- 9.3 when the Client is acting for its own account or as a discretionary asset manager, the Client complies with all provisions contained in the Fund Documentation that are addressed to the investor, and the Client undertakes not to give any orders to the Broker that would be in violation of the Fund Documentation;
- 9.4 when the Client is acting on behalf of a customer in any other capacity (than discretionary asset manager), the Client will make arrangements in order to assure that its customer complies with all provisions contained in the Fund Documentation addressed to the investor, and the Client undertakes not to give any orders to the Broker that would be in violation of the Fund Documentation;
- 9.5 the Client has verified that its customer is not excluded in any way from investing into the Investment Fund, by reasons of its capacity or fiscal residence, or for any other reason, and in the case where the customer would be excluded from investing in the Investment Funds, the Client shall not forward the order to the Broker;
- 9.6 in case the Fund documentation prohibits investment by persons resident or domiciled in the US, in a territory or zone subject to or is a person in anyway subject to US legislation (US persons), the Client shall not make such Investment Funds accessible to US Persons, for the account or the benefit of US persons or with funds from US persons and that the Client shall refrain from undertaking any promotional activities for such Investment Funds in the US and with respect to US persons;
- 9.7 the Client will not issue or forward orders to the Broker for customers under asset management that are excluded for any reason from investments in the Investment Fund;
- 9.8 the Client shall notify the Broker forthwith of any change in the status of the end investor that would be relevant for the Investment Fund pursuant to an order given to the Broker and/or which it holds (directly or indirectly) with the Broker, and to the extent required by applicable law or by the Fund prospectus, the Client shall take all necessary steps without delay in order to secure the exit of the end investor from the Investment Fund, failing which the Broker reserves all rights to take all required actions, including injunctive relief;
- 9.9 in the event that the Investment Fund prescribes a minimum amount of investment, where the Client gives instructions for several end investors, each individual investor will meet this requirement and, where this is not the case, that prior consent to deviate from this principle shall at all times required to be obtained from the managers of the Investment Fund;
- 9.10 the Client shall abide to all provisions set out in the Fund Documentation relating to late trading and market timing and more specifically, the Client shall notify the Broker explicitly if orders are communicated to the Broker after the cut-off time stated in the Fund Documentation;

- 9.11 the Client shall only communicate orders to the Broker for the account of customers for investments in Investment Funds for which all necessary regulatory steps have been taken to make dealing in those Funds compliant with the laws of Belgium;
- 9.12 the Client shall notify the Broker immediately of any complaint it is informed of by its customer as well as of any actual or threatened legal proceedings initiated by such customer against the Client in respect of order in Investment Funds executed by the Broker or a position held by such customer that is (directly or indirectly) held by the Broker;
- 9.13 the Client shall immediately notify the Broker of any question or communication that it may receive from a regulatory authority in respect of the Investment Fund;
- 9.14 the Client shall not to communicate any order to the Broker for the account of an investor who is a resident of a jurisdiction that is not designated in the Fund Documentation of the Investment Fund as a jurisdiction where sale is permitted, without having obtained the prior express consent of the Broker;
- 9.15 the Client has identified the investor adequately and in accordance with any relevant applicable statutory provisions and/or recommendations issued by competent authorities (e.g. Financial Action Task Force on Money Laundering (FATF), Belgian Financial Intelligence Processing Unit (CTIF));
- 9.16 where the Client is communicating orders on behalf of investors that are politically exposed persons, the Client has conducted a due diligence in respect of those persons in accordance with all relevant statutory and regulatory provisions.

The Client shall indemnify the Broker for any loss whatsoever the Broker may suffer as a result of inexact representations or warranties under this section.

10. Consequences of termination

The termination of the Agreement and/or of this ST Brokerage for whatever reason shall automatically trigger the termination of Elements of Identification with effect from the date of such termination.

The rules for acceptance of new orders and instructions as well as for the completion of pending orders and instructions are provided in the GT.